

Testimony Indiana Michigan Power HB 4999

Chairman Mayes and members of the Energy and Technology Committee,

Thank you for the opportunity to speak this morning regarding HB 4999. My name is Greg Clark. I am Vice President of Government Affairs for Indiana Michigan Power Company, which serves approximately 127,000 customers in southwest Michigan.

We ask that you support HB 4999. As stated earlier, it would merely allow utility subcontractors to use current Frost Law provisions that allow utilities to use county roads for non-emergency work.

There are very good reasons to support it.

First and foremost, a truck's impact on a road is not affected by who is driving a truck. What is important is the nature of the work being performed out of that truck. And the work being done by a utility subcontractor is of the same importance as work done by a utility.

Second, denying subcontractors the opportunity to use utility provisions is particularly hard on I&M. We make extensive use of subcontractors. In fact, we employ subcontractors exclusively to perform two important functions.

Robert Henry Corporation performs all of our underground work. Such work is often done to make way for new service lines. Delaying or stopping such work interferes with new service installations, which includes business and residential development. Delaying new service is not good policy.

Asplundh Corporation performs all I & M tree trimming work. It is crucial that overgrown tree limbs are cleared away from power lines in preparation for spring storms. Delaying or stopping tree trimming for three spring months degrades I & M's system's reliability. Degraded reliability is not good for your constituent's comfort, or for our economy.

In both these cases, stopping or delaying work makes I & M less efficient, less reliable, and increases costs. Jeopardizing reliability and increasing costs are never good policy.

I & M's business model, which makes extensive use of subcontractors, works well. We do not utilize subcontractors to avoid union labor. In fact, 2 of our 3 subcontractors utilize IBEW represented employees.

Our subcontractors are substantial, reputable companies. Of the 2 mentioned above the shortest relationship with I&M is 22 years. They provide services in multiple states. They carry insurance to cover problems they might incur. They perform vital services and help keep costs down. We request you support better utility service by passing HB 4999.

This concludes my testimony.